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DEPARTMENT FOR EUR/AGS

SIPDIS

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SUBJECT: Hesse SPD Reignites Left Party Cooperation Debate

REF: Frankfurt 1066; Frankfurt 0698

Sensitive but unclassified; not for internet distribution.

11. SUMMARY: The Hesse SPD is once again playing with fire by moving forward with plans to form a SPD-Green minority government supported by the Left Party. Simply reopening the question of cooperation with the Left has already unleashed a firestorm of debate in the national press, fomented infighting among SPD leaders nationwide, and helped lower the national party's poll numbers to an all-time low. With a national election looming in 2009, the CDU will get mileage by portraying a minority government in Hesse as a sign that the SPD may also be prepared to cooperate with the Left at the national level, if doing so would open the door to the Chancellery. END SUMMARY.

THE SPD TRIES AGAIN...

- 12. The Hesse Social Democratic Party (SPD) leadership decided August 13 on moving forward with a plan to elect party leader Andrea Ypsilanti minister-president with the support of the Greens and the Left Party -- despite Ypsilanti's campaign pledge not to cooperate with the Left. The vote to elect Ypsilanti and thereby oust the leader of Hesse's caretaker government Roland Koch (CDU) would likely come when the Hesse parliament reconvenes on November 18. The Hesse SPD decided it would hold its party convention to discuss and vote on this matter on October 4 rather than in mid-September so as not to disadvantage the SPD in the September 28 Bavarian elections. (Bavarian SPD chairman Franz Maget had expressed openly his worries that the Hesse SPD's plan could damage his party's success in the September 28 election.)
- ¶3. (SBU) National SPD chairperson Kurt Beck has repeatedly, and recently with some asperity, emphasized that state party organization has full authority to form a coalition of its choosing. The SPD's national leadership, however, August 15 publicized a joint statement expressing the national SPD's "serious concerns about the course of the SPD in Hesse" and advising that the Hesse SPD "must also accept responsibility for the overall state of the SPD in Germany." The statement was signed by Beck, his three deputies -- FM Steinmeier, Finance Minister Steinbrueck, and Bundestag Member Nahles, as well as SPD General Secretary Hubertus Heil. The controversial debate has played a significant role in bringing the party's support to a historical low, 20% in an August 27 Forsa poll compared to the CDU's 37%. The press widely interprets the Hesse SPD's maneuvering as a further sign of the national party's drift to the left and Beck's weakness as a leader, fueling rumors that he will not run as chancellor in 2009.

...BECAUSE THEY SEE NO OTHER OPTIONS

14. The Hesse SPD made an initial attempt in March to form a minority government, following an inconclusive election which left a Christan Democratic Union (CDU)-caretaker government in power, but stopped when SPD state parliamentarian Dagmar Metzger said she would not support it (see reftels). While Metzger still remains closed to the idea, the three parties nevertheless have a slim one-vote majority in the state parliament and could elect SPD chairperson Ypsilanti Minister President on November 18, when it meets. Leading

left-wing SPD parliamentarian Gernot Grumbach, however, told Poloff that the SPD could not absolutely ensure party discipline in such a close vote that would be conducted by secret ballot.

15. Despite the open reservations and near-warnings by her national party that cooperating with the Left would signal the party's willingness to work with the Left on the national level, Ypsilanti and her party are driven by the desire to get into office and oust Roland Koch. The flirtation with the Left Party has already damaged the Hesse SPD's popularity, making a new election an unattractive option. The attempt brings great risks as collapsed talks between parties or an unexpected failure to win the vote in the parliament would undoubtedly further damage the party.

THE GREENS AND THE LEFT ALSO WEIGH IN

- 16. Differences between the SPD, the Greens and the Left in Hesse remain although all three parties appear committed to making the plan work. In a conversation with Pol Spec, Kai Klose, Hesse Green Party Secretary General, put chances of success at less than 50% given the Left Party's unpredictability and disagreements between the SPD and Greens, such as which party would get the Environment Ministry. However, he felt that his party was "between a rock and a hard place" and could not possibly pursue its only other available path, a government with the CDU and FDP, without alienating its voters.
- 17. The Hesse Left Party must also reach consensus among its diverse and fractious members at a state convention on August 30. Several prominent members have announced they will vote against such a move and try to unseat the party's leadership. Even if the party does agree to go forward, it could demand unrealistic concessions, such

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as reversing federal state privatizations, that neither the SPD nor Greens have the power to give. The convention will test whether the party members are "full-blown communists with fundamentalist tendencies," as Klose characterized them, or potential working partners. Revealing the importance of success in Hesse for the national party, Left Party national leader Oskar Lafontaine has already voiced his desire to see a minority government go forward in

- 18. COMMENT: Should the plan fail, the Hesse SPD will face a crisis in leadership that could possibly see Ypsilanti give up her seat as chairperson and result in a new state election sometime in 2009. Success appears equally, if not more, perilous for both the state and the federal party. Looking at an election in 2009, the federal party has its credibility in question as party leaders like Kurt Beck swear off cooperation with the Left at the national level but allow the Hesse SPD to renege on its own pre-election promise not to do so. By trying to win the battle in Hesse now, the Hesse SPD threatens to damage the national party's chances to win the war in 12009. END COMMENT.
- $\underline{\ }$ 9. This cable was coordinated with Embassy Berlin. POWELL